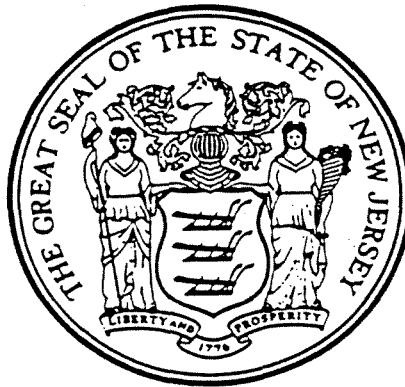


QUARTERLY REPORT

LICENSEE ADAMAR OF NEW JERSEY, INC.
TROPICANA CASINO & RESORT

FOR THE QUARTER ENDED SEPT. 30, 2001

TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY



DIVISION OF FINANCIAL EVALUATION
REPORTING MANUAL

BALANCE SHEETS

AS OF SEPTEMBER 30, 2001 AND 2000

(UNAUDITED)
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2001 (c)	2000 (d)
	ASSETS		
	Current Assets:		
1	Cash and Cash Equivalents.....	\$ 18,214	\$ 18,084
2	Short-Term Investments.....	0	0
	Receivables and Patrons' Checks (Net of Allowance for		
3	Doubtful Accounts - 2001, \$17,620 ; 2000, \$16,798).....	15,384	18,115
4	Inventories.....	3,457	2,815
5	Prepaid Expenses and Other Current Assets.....	13,145	12,440
6	Total Current Assets.....	50,200	51,454
7	Investments, Advances, and Receivables..... (Note 4,5).....	24,999	21,462
8	Property and Equipment - Gross..... (Note 2).....	751,693	722,970
9	Less: Accumulated Depreciation and Amortization..... (Note 2).....	(207,738)	(188,243)
10	Property and Equipment - Net..... (Note 2).....	543,955	534,727
11	Other Assets.....	9,723	13,268
12	Total Assets.....	\$ 628,877	\$ 620,911
	LIABILITIES AND EQUITY		
	Current Liabilities:		
13	Accounts Payable.....	\$ 6,069	\$ 8,642
14	Notes Payable.....	0	0
	Current Portion of Long-Term Debt:		
15	Due to Affiliates.....	0	0
16	Other..... (Note 3).....	728	933
17	Income Taxes Payable and Accrued.....	0	0
18	Other Accrued Expenses.....	23,009	22,276
19	Other Current Liabilities.....	7,371	4,917
20	Total Current Liabilities.....	37,177	36,768
	Long-Term Debt:		
21	Due to Affiliates..... (Note 3,5).....	448,041	448,041
22	Other..... (Note 3).....	450	1,122
23	Deferred Credits.....	0	0
24	Other Liabilities..... (Note 5).....	10,386	2,076
25	Commitments and Contingencies..... (Note 4).....	0	0
26	Total Liabilities.....	496,054	488,007
27	Stockholder's, Partners', or Proprietor's Equity.....	132,823	132,904
28	Total Liabilities and Equity.....	\$ 628,877	\$ 620,911

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

STATEMENTS OF INCOME

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2001 AND 2000

(UNAUDITED)
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2001 (c)	2000 (d)
	Revenue:		
1	Casino.....	\$ 311,212	\$ 322,711
2	Rooms.....	34,978	34,664
3	Food and Beverage.....	37,084	39,800
4	Other.....	9,342	10,577
5	Total Revenue.....	392,616	407,752
6	Less: Promotional Allowances.....	43,847	47,515
7	Net Revenue.....	348,769	360,237
	Costs and Expenses:		
8	Cost of Goods and Services..... (Note 5).....	181,052	185,154
9	Selling, General, and Administrative..... (Note 5).....	71,512	82,754
10	Provision for Doubtful Accounts.....	2,257	2,477
11	Total Costs and Expenses.....	254,821	270,385
12	Gross Operating Profit.....	93,948	89,852
13	Depreciation and Amortization.....	18,714	18,403
	Charges from Affiliates Other than Interest:		
14	Management Fees..... (Note 5).....	24,158	24,267
15	Other.....	0	0
16	Income (Loss) from Operations.....	51,076	47,182
	Other Income (Expenses):		
17	Interest (Expense) - Affiliates..... (Note 3).....	(40,446)	(33,006)
18	Interest (Expense) - External..... (Note 3).....	740	(402)
19	Investment Alternative Tax and Related Income (Expense) - Net...(Note 4)...	(1,112)	(1,415)
20	Nonoperating Income (Expense) - Net.....	(2,654)	(2,866)
21	Total Other Income (Expenses).....	(43,472)	(37,689)
22	Income (Loss) Before Income Taxes and Extraordinary Items.....	7,604	9,493
23	Provision (Credit) for Income Taxes.....	4,310	189
24	Income (Loss) Before Extraordinary Items.....	3,294	9,304
25	Extraordinary Items (Net of Income Taxes - 2001, \$0 ; 2000, \$0)	0	0
26	Net Income (Loss).....	\$ 3,294	\$ 9,304

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2001 AND 2000

(UNAUDITED)
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2001 (c)	2000 (d)
	Revenue:		
1	Casino.....	\$ 113,497	\$ 114,217
2	Rooms.....	12,807	13,169
3	Food and Beverage.....	12,843	13,974
4	Other.....	3,244	3,890
5	Total Revenue.....	142,391	145,250
6	Less: Promotional Allowances.....	15,299	16,579
7	Net Revenue.....	127,092	128,671
	Costs and Expenses:		
8	Cost of Goods and Services..... (Note 5).....	62,607	64,612
9	Selling, General, and Administrative..... (Note 5).....	25,011	28,131
10	Provision for Doubtful Accounts.....	862	652
11	Total Costs and Expenses.....	88,480	93,395
12	Gross Operating Profit.....	38,612	35,276
13	Depreciation and Amortization.....	6,238	6,085
	Charges from Affiliates Other than Interest:		
14	Management Fees..... (Note 5).....	7,358	7,500
15	Other.....	0	0
16	Income (Loss) from Operations.....	25,016	21,691
	Other Income (Expenses):		
17	Interest (Expense) - Affiliates..... (Note 3).....	(14,071)	(14,251)
18	Interest (Expense) - External..... (Note 3).....	805	(38)
19	Investment Alternative Tax and Related Income (Expense) - Net...(Note 4)...	(424)	(409)
20	Nonoperating Income (Expense) - Net.....	(945)	(1,087)
21	Total Other Income (Expenses).....	(14,635)	(15,785)
22	Income (Loss) Before Income Taxes and Extraordinary Items.....	10,381	5,906
23	Provision (Credit) for Income Taxes.....	5,991	2,095
24	Income (Loss) Before Extraordinary Items.....	4,390	3,811
25	Extraordinary Items (Net of Income Taxes - 2001, \$0 ; 2000, \$0).....	0	0
26	Net Income (Loss).....	\$ 4,390	\$ 3,811

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2000 AND THE NINE MONTHS ENDED SEPTEMBER 30, 2001

(UNAUDITED)
(\$ IN THOUSAND)

Line (a)	Description (b)	Common Stock		Preferred Stock		Additional Paid-In Capital (g)	(h)	Retained Earnings (Accumulated) (Deficit) (i)	Total Stockholder's Equity (Deficit) (j)
		Shares (c)	Amount (d)	Shares (e)	Amount (f)				
1	Balance, December 31, 1999	100	\$ 1	0	\$ 0	\$ 325,390	\$ 0	\$ 49,209	\$ 374,600
2	Net Income (Loss) - 2000							5,929	5,929
3	Contribution to Paid-in-Capital								
4	Dividends (Note 7)					(198,319)		(52,681)	(251,000)
5	Prior Period Adjustments								
6									
7									
8									
9									
10	Balance, December 31, 2000	100	\$ 1	0	\$ 0	\$ 127,071	\$ 0	\$ 2,457	\$ 129,529
11	Net Income (Loss) - 2001							3,294	3,294
12	Contribution to Paid-in-Capital								
13	Dividends								
14	Prior Period Adjustments								
15									
16									
17									
18									
19	Balance, September 30, 2001	100	\$ 1	0	\$ 0	\$ 127,071	\$ 0	\$ 5,751	\$ 132,823

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TROPICANA CASINO AND RESORT**STATEMENTS OF CASH FLOWS**

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2001 AND 2000

(UNAUDITED)
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2001 (c)	2000 (d)
1	NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES.....	\$ 30,938	\$ 33,626
	CASH FLOWS FROM INVESTING ACTIVITIES:		
2	Purchase of Short-Term Investment Securities.....		
3	Proceeds from the Sale of Short-Term Investment Securities.....		
4	Cash Outflows for Property and Equipment.....	(28,364)	(7,204)
5	Proceeds from Disposition of Property and Equipment.....	20	21
6	Purchase of Casino Reinvestment Obligations.....	(3,945)	(4,080)
7	Purchase of Other Investments and Loans/Advances made.....		
8	Proceeds from Disposal of Investments and Collection of Advances and Long-Term Receivables.....	(495)	60,882
9	Cash Outflows to Acquire Business Entities.....		
10			
11			
12	Net Cash Provided (Used) By Investing Activities.....	(32,784)	49,619
	CASH FLOWS FROM FINANCING ACTIVITIES:		
13	Cash Proceeds from Issuance of Short-Term Debt.....		
14	Payments to Settle Short-Term Debt.....		
15	Cash Proceeds from Issuance of Long-Term Debt..... (Note 3,5)	0	192,000
16	Costs of Issuing Debt.....		
17	Payments to Settle Long-Term Debt.....	(608)	(30,145)
18	Cash Proceeds from Issuing Stock or Capital Contributions.....		
19	Purchases of Treasury Stock.....		
20	Payments of Dividends or Capital Withdrawals..... (Note 5)	0	(251,000)
21			
22			
23	Net Cash Provided (Used) By Financing Activities.....	(608)	(89,145)
24	Net Increase (Decrease) in Cash and Cash Equivalents.....	(2,454)	(5,900)
25	Cash and Cash Equivalents at Beginning of Period.....	20,668	23,984
26	Cash and Cash Equivalents at End of Period.....	\$ 18,214	\$ 18,084
	CASH PAID DURING PERIOD FOR:		
27	Interest (Net of Amount Capitalized).....	\$ 41,260	\$ 116,337
28	Income Taxes.....	\$	\$

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TROPICANA CASINO AND RESORT**STATEMENTS OF CASH FLOWS**

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2001 AND 2000

(UNAUDITED)
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2001 (c)	2000 (d)
	NET CASH FLOWS FROM OPERATING ACTIVITIES:		
29	Net Income (Loss).....	\$ 3,294	\$ 9,304
	Noncash Items Included in Income and Cash Items Excluded from Income:		
30	Depreciation and Amortization of Property and Equipment.....	18,468	18,158
31	Amortization of Other Assets.....	246	245
32	Amortization of Debt Discount or Premium.....		
33	Deferred Income Taxes - Current.....	(39)	(314)
34	Deferred Income Taxes - Noncurrent.....	4,349	503
35	(Gain) Loss on Disposition of Property and Equipment.....	(17)	189
36	(Gain) Loss on Casino Reinvestment Obligations.....	964	1,291
37	(Gain) Loss from Other Investment Activities.....		
	Net (Increase) Decrease in Receivables and Patrons'		
38	Checks.....	1,714	(326)
39	Net (Increase) Decrease in Inventories.....	(139)	345
40	Net (Increase) Decrease in Other Current Assets.....	(1,232)	(809)
41	Net (Increase) Decrease in Other Assets.....	189	134
42	Net Increase (Decrease) in Accounts Payable.....	(1,949)	1,207
	Net Increase (Decrease) in Other Current Liabilities		
43	Excluding Debt.....	5,567	4,246
	Net Increase (Decrease) in Other Noncurrent Liabilities		
44	Excluding Debt.....	(477)	(547)
45	Extraordinary items (net of tax).....		
46			
47	Net Cash Provided (Used) By Operating Activities.....	\$ 30,938	\$ 33,626

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	ACQUISITION OF PROPERTY AND EQUIPMENT:		
48	Additions to Property and Equipment.....	\$ (28,364)	\$ (7,204)
49	Less: Capital Lease Obligations Incurred.....	0	0
50	Cash Outflows for Property and Equipment.....	\$ (28,364)	\$ (7,204)
	ACQUISITION OF BUSINESS ENTITIES:		
51	Property and Equipment Acquired.....	\$ 0	\$ 0
52	Goodwill Acquired.....	0	0
	Net Assets Acquired Other than Cash, Goodwill, and		
53	Property and Equipment.....	0	0
54	Long-Term Debt Assumed.....	0	0
55	Issuance of Stock or Capital Invested.....	0	0
56	Cash Outflows to Acquire Business Entities.....	\$ 0	\$ 0
	STOCK ISSUED OR CAPITAL CONTRIBUTIONS:		
57	Total Issuances of Stock or Capital Contributions.....	\$ 0	\$ 0
58	Less: Issuances to Settle Long-Term Debt.....	0	0
59	Consideration in Acquisition of Business Entities.....	0	0
60	Cash Proceeds from Issuing Stock or Capital Contributions.....	\$ 0	\$ 0

The company incurred an intercompany payable in exchange for assets from the parent company in the amount of \$2,189.

TRADING NAME OF LICENSEE

TROPICANA CASINO AND RESORT

SCHEDULE OF PROMOTIONAL EXPENSES AND ALLOWANCES

(\$ IN THOUSANDS)

Amended

11/15/02

revised 09/30/02

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2001

(b)	Promotional Allowances		Promotional Expenses	
	Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
Rooms	236,197	\$ 17,973	0	\$ 0
Food	1,685,232	16,515	12,537	123
Beverage	5,223,009	6,382	0	0
Travel	0	0	11,461	4,011
Bus Program Cash	572,493	9,189	0	0
Other Cash Complimentaries	759,428	17,000	0	0
Entertainment	38,244	110	30,161	603
Retail & Non-Cash Gifts	0	0	0	0
Parking	0	0	0	0
Other	517,570	2,867	275,461	1,323
Total	9,032,173	\$ 70,036	329,620	\$ 6,060

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2001

(b)	Promotional Allowances		Promotional Expenses	
	Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
Rooms	80,348	\$ 6,127	0	\$ 0
Food	592,890	5,809	4,206	41
Beverage	1,879,288	2,349	0	0
Travel	0	0	3,601	1,260
Bus Program Cash	200,148	2,812	0	0
Other Cash Complimentaries	265,083	6,441	0	0
Entertainment	5,945	28	11,094	222
Retail & Non-Cash Gifts	0	0	0	0
Parking	0	0	0	0
Other	186,300	986	103,347	685
Total	3,210,002	\$ 24,552	122,248	\$ 2,208

** There are no complimentary services or items in Line 10 "other" which exceeds 5% of that column's total.

ADAMAR OF NEW JERSEY, INC.
DBA TROPICANA CASINO AND RESORT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2001 AND 2000

NOTE 1. DISCLOSURES NOT PRESENTED

Certain footnotes have not been presented in these Notes to Consolidated Financial Statements. These footnotes would be a duplicate of items contained in the Casino Control Commission Annual Report for the year ended December 31, 2000.

The specific footnotes not presented are the Summary of significant accounting policies and lease obligations. The footnotes contained in the December 31, 2000 Annual Report should be read in conjunction with these financial statements.

NOTE 2. PROPERTY AND EQUIPMENT

At September 30, 2001 and 2000, the components of Property and Equipment consisted of:

	<u>2001</u>	<u>2000</u>
Land and land improvements	\$ 51,237,000	\$ 51,091,000
Building and improvements	555,427,000	551,246,000
Furniture, fixtures and equipment	119,809,000	108,908,000
Leased personal property	5,113,000	7,418,000
Construction in progress	<u>20,107,000</u>	<u>4,307,000</u>
Total property and equipment-gross	751,693,000	722,970,000
Accumulated depreciation	<u>(207,738,000)</u>	<u>(188,243,000)</u>
Total property and equipment	\$ 543,955,000	\$ 534,727,000
	=====	=====

NOTE 3. LONG-TERM DEBT

At September 30, 2001 and 2000, Long-Term Debt consisted of:

Due to Affiliates:	<u>2001</u>	<u>2000</u>
Notes Payable - Aztar Corporation; 12.0% due 2004	\$ 448,041,000	\$ 448,041,000
Long-term debt due to affiliates	448,041,000	448,041,000
Obligations under capital leases	<u>1,178,000</u>	<u>2,055,000</u>
Total Affiliates and Other	449,219,000	450,096,000
Less: current portion	<u>(728,000)</u>	<u>(933,000)</u>
Total long-term debt	\$ 448,491,000	\$ 449,163,000
	=====	=====

Substantially all of the Company's property and equipment is pledged as collateral for long-term debt.

On June 1, 2000, the Company borrowed \$192,000,000 from Aztar which is evidenced by a 12% interest bearing note due 2004 (See Note 5. Related Parties). On September 27, 2000, the Company paid \$27,000,000 to Aztar reducing the \$192,000,000 note to \$165,000,000.

NOTE 4. COMMITMENTS AND CONTINGENCIES

Licensing

On November 26, 1982, the Company was granted a plenary gaming license by the New Jersey Casino Control Commission. The license is renewable every four years. The license renewal period is effective through November 30, 2003. Management has received no indication that future renewals will not be granted.

The Company is a party to various claims, legal actions and complaints arising in the ordinary course of business or asserted by way of defense or counter-claim in actions filed by the Company. Management believes that its defenses are substantial in each of these matters, and the Company's legal posture can be successfully defended or satisfactorily settled without material adverse effect on its consolidated financial position.

The New Jersey Casino Control Commission imposes an annual tax of eight percent on gross casino revenue. Pursuant to legislation adopted in 1984, casino licensees are required to invest an additional one and one-quarter percent of gross casino revenue for the purchase of bonds to be issued by the Casino Reinvestment Development Authority ("CRDA") or make other approved investments equal to that amount; in the event the investment requirement is not met, the casino licensee is subject to a tax of two and one-half percent on gross casino revenue. As mandated by the legislation, the interest rate of the CRDA bonds purchased by the licensee will be two-thirds of the average market rate for bonds available for purchase and published by a national bond index at the time of the CRDA bond issuance. The CRDA bonds have various contractual maturities that range from 14 to 47 years. Actual maturities may differ from contractual maturities because of prepayment rights. The Company's reinvestment obligation for 2001 and 2000, respectively, was \$3,945,000 and \$4,080,000 for the purchase of CRDA bonds. The Company recorded a loss provision for 2001 and 2000 of \$964,000 and \$1,291,000, respectively. The loss provision is to recognize the effect of the below market interest rate the bonds would have borne had they been issued on September 30, 2001.

In May 1996, the Company completed construction on an expansion project. The expansion consisted primarily of a new 604-room hotel tower, with additional restaurant and support facilities in the existing operation. The Company has executed a credit agreement with the CRDA for approximately \$24,500,000 in funding for this

project. The Company receives funds from the CRDA based on expenditures made for the project to the extent the Company has available funds on deposit with the CRDA that qualify for this funding. As of September 30, 2001, the Company received approximately \$22,552,000 in funding from the CRDA under this agreement and had approximately \$309,000 in available deposits with the CRDA that qualify and accordingly reclassified this amount to accounts receivable. The balance of funding will be realized from portions of future CRDA deposits.

NOTE 5. RELATED PARTIES

Transactions with affiliates consist of expenditures by affiliates on the Company's behalf including purchases of assets, facility rental, and administrative expenses or cash advances to affiliates or other receivables from affiliates. The Company has many significant transactions with Aztar.

Aztar performs various corporate services for the Company. For the period ended September 30, 2001 and 2000, Aztar charged the Company a management fee of \$24,158,000 and \$24,267,000, respectively.

Due to affiliates is reflected in Other Liabilities. The identity of the affiliate and corresponding balances at September 30, 2001 and 2000 are:

	<u>2001</u>	<u>2000</u>
Due to Aztar Corporation	\$ 3,507,000	\$ -
Due to Ramada New Jersey, Inc.	106,000	32,000
Due to Adamar Garage Corporation	6,677,000	1,989,000
Due to Atlantic Deauville, Inc.	96,000	25,000
Due to Tropicana West	-	30,000
	<u>\$ 10,386,000</u>	<u>\$ 2,076,000</u>
	=====	=====

Advances to affiliates are reflected in Investments, Advances and Receivables. The identity of the affiliate and corresponding balances at September 30, 2001 and 2000 are:

	<u>2001</u>	<u>2000</u>
Due from Aztar Corporation	\$ -	\$ 250,000
Advances to Tropicana West	<u>1,875,000</u>	<u>-</u>
	<u>\$ 1,875,000</u>	<u>\$ 250,000</u>
	=====	=====

Notes payable to related parties are included in Long-term debt to affiliates (See Note 3). The identity of the affiliate and corresponding balances at September 30, 2001 and 2000 are:

<u>PAYEE</u>	<u>2001</u>	<u>2000</u>
Aztar Corporation	\$ 448,041,000	\$ 448,041,000

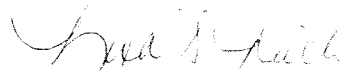
On June 1, 2000, the Company borrowed \$192,000,000 from Aztar which is evidenced by a 12% interest bearing note due 2004. The Company also received payment from Aztar of \$59,000,000 which was applied against the net intercompany receivable. The Company then paid a dividend to Ramada New Jersey Holdings Corporation to the extent of Retained Earnings at June 1, 2000, of \$52,681,000 and a return of capital of \$198,319,000 for a total of \$251,000,000. On September 27, 2000, the Company paid \$27,000,000 to Aztar reducing the \$192,000,000 note to \$165,000,000.

For the nine months ended September 30, 2001 and 2000 the Company incurred charges from affiliates which are indicated in the accompanying Statements of Income as Cost of Goods and Services and Selling, General, and Administrative. The nature of the charges and dollar amounts are as follows:


	<u>2001</u>	<u>2000</u>
<u>COST OF GOODS AND SERVICES</u>		
Executive deferred compensation plan	\$ 4,000	\$ 5,000
Property insurance	513,000	461,000
	<u>517,000</u>	<u>466,000</u>
<u>SELLING, GENERAL AND ADMINISTRATIVE</u>		
Insurance	244,000	250,000
Executive deferred compensation plan	18,000	20,000
Claims	18,000	19,000
Professional services	7,000	29,000
	<u>287,000</u>	<u>318,000</u>
Total	\$ 804,000 =====	\$ 784,000 =====

STATEMENT OF CONFORMITY, ACCURACY AND COMPLIANCE

1. I have examined this Quarterly Report.
2. All the information contained in this Quarterly Report has been prepared in conformity with the Casino Control Commission's Quarterly Report Instructions and Uniform Chart of Accounts.
3. To the best of my knowledge and belief, the information contained in this report is accurate.
4. To the best of my knowledge and belief, except for the deficiencies noted below, the licensee submitting this Quarterly Report has remained in compliance with the financial stability regulations contained in N.J.A.C. 19:43-4.2(b)1-5 during the quarter.



Signature



Title

005939-11

License Number

On Behalf of:

TROPICAN CASINO & RESORT

Casino Licensee